

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF WYOMING

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
v.)
)
BP AMERICA PRODUCTION COMPANY)
f/k/a AMOCO PRODUCTION COMPANY,)
CAMWEST, INC.,)
)
and)
)
CAMWEST LIMITED PARTNERSHIP,)
)
Defendants.)
_____)

Civil Action No. _____

CONSENT DECREE

WHEREAS, Plaintiff, the United States of America ("United States"), on behalf of the Administrator of the United States Environmental Protection Agency ("EPA"), is simultaneously filing a Complaint in this action against Defendants BP America Production Company f/k/a Amoco Production Company ("Amoco"), and CamWest, Inc. and CamWest Limited Partnership (collectively "CamWest"), alleging that each of them has violated the Public Health Service Act, as amended by the Safe Drinking Water Act ("SDWA"), 42 U.S.C. § 300h-2(b), and regulations issued thereunder, based on their alleged noncompliance with the Underground Injection Control ("UIC") program at the Lander and Winkleman Dome Oil Fields ("Oil Fields") in Fremont

County, Wyoming, within the exterior boundaries of the Wind River Indian Reservation.

WHEREAS, Plaintiff also alleges in the Complaint that Defendants have each violated the Clean Water Act ("CWA"), 33 U.S.C. § 1251 *et seq.*

WHEREAS, CamWest has transferred the leases at both Oil Fields to one or more companies or individuals ("Buyer/Transferee") that are unrelated to the Defendants.

WHEREAS, the Buyer/Transferee has agreed to perform certain aspects of this Consent Decree ("Decree") under separate agreement with CamWest, as set forth in Appendix 1.

WHEREAS, the Defendants do not admit any liability, and in fact deny any liability, arising out of the facts, transactions or occurrences alleged in the Complaint.

WHEREAS, this Decree represents a compromise and settlement of disputed claims and each Party enters into this settlement without admitting the allegations as to the violations or defenses asserted by the other Parties.

WHEREAS, the Parties agree, and the Court finds, that settlement of the claims alleged in the Complaint without further litigation or trial of any issues is fair, reasonable and in the public interest, and that entry of this Decree is the most appropriate way of resolving the claims alleged in the Complaint.

NOW THEREFORE, before taking testimony, upon the pleadings, without adjudication of any issue of fact or law, and upon consent and agreement of the Parties, it is hereby ORDERED and DECREED as follows:

I. JURISDICTION, VENUE AND AUTHORITY

1. This Court has jurisdiction over the Parties and the subject matter of this action pursuant to Section 1423(b) of the SDWA, 42 U.S.C. § 300h-2(b), Sections 309(b), 311(b)(7)(E), and 506 of the CWA, 33 U.S.C. §§ 1319, 1321(b)(7)(E) and 1366, and 28 U.S.C. §§ 1331, 1345, 1355, and 1395(a). The Complaint states claims upon which relief could be granted pursuant to Section 1423 of the SDWA, 42 U.S.C. § 300h-2, and Sections 309 and 311 of the CWA, 33 U.S.C. §§ 1319 and 1321.

2. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b)-(c) and 1395(a), Section 1423(b) of the SDWA, 42 U.S.C. § 300h-2(b), and Sections 309(b) and 311(b)(7)(E) of the CWA, 33 U.S.C. §§ 1319(b) and 1321(b)(7)(E).

3. Authority to bring this action is vested in the United States Department of Justice by 28 U.S.C. §§ 516 and 519, Sections 1423(a)(2) and (b) and 1450(f) of the SDWA, 42 U.S.C. §§ 300h-2(a)(2) and (b), 300j-9(f), and Sections 309(b) and 506 of the CWA, 33 U.S.C. §§ 1319 and 1366.

II. APPLICABILITY AND BINDING EFFECT

4. Except as specifically set forth herein and in Appendix 1, the obligations of this Decree apply to and are binding upon the United States, and upon Defendants and any successors, assigns, or other entities or persons otherwise bound by law.

5. Any transfer of any portion of the ownership or operation, including any transfer

of a lease (e.g., overriding royalty interest, net profits interest, production payment, etc.) and any contractual right (e.g., Farm-out agreement, seismic option, etc.) of the Winkleman Dome and/or Lander Oil Fields, including any of the Subject Wells, must be in accordance with regulatory requirements, including but not limited to 40 C.F.R. § 144.28 (1), subtitled “Changes of ownership or operational control.” No such transfer shall relieve Defendants of their penalty obligations in accordance with Section IX (Civil Penalty), nor shall it relieve Defendants of their obligations to perform any Supplemental Environmental Project (SEP) in accordance with Section XI (SEPs), nor shall it relieve CamWest of its obligation to address the seep into the Popo Agie River at the Lander Oil Field, as set forth in Section V.13.e. (Compliance and Monitoring Requirements). Within ten (10) days after entry of this Decree, Defendant CamWest shall provide a copy of the entered Decree to the Buyer/Transferee and any other then transferee owner/operators of the Winkleman Dome or Lander Oil Fields; CamWest shall verify that they have done so by written notice within five (5) days thereafter to EPA Region 8, the United States Attorney, and the United States Department of Justice, in accordance with Section XVIII of this Decree (Notices and Submissions). Neither the Buyer/Transferee nor its successors or assigns shall be subject to Defendants’ obligations under Section IX (Civil Penalty) or Section XI (SEPs). The Buyer/Transferee shall not be subject to CamWest’s obligations under Section V.13.e. (the seep to the Popo Agie River at the Lander Oil Field). The Buyer/Transferee may be independently liable for the seep to the extent that it continues during the Buyer/Transferee’s

ownership or operation of the Lander Oil Field and is not being addressed pursuant to this Decree or continues or occurs after the termination of this Decree. Nothing in this Decree or Appendix 1 shall relieve the Defendants and their successors or assigns or other entities or persons otherwise bound by law from the obligations of Sections V.13.e. (CamWest's obligation regarding the seep to the Popo Agie River), IX (Civil Penalties), XI (SEPs) or any other applicable provision of this Decree.

6. Defendants shall provide a copy of this Decree to all of their officers, employees, and agents whose duties might reasonably include compliance with any provision of this Decree, as well as to any contractor they retain to perform work required under this Decree; Defendants shall condition any such contract upon performance of the work in conformity with the terms of this Decree and shall further require that each such contractor notify in writing each subcontractor it retains to perform work required by this Decree of all requirements therein applicable to the work to be performed by that subcontractor and to provide each such subcontractor a copy of this Decree.

7. Except as set forth herein, in any action to enforce this Decree, Defendants shall not raise as a defense the failure by any of their officers, directors, employees, agents, or contractors to take any actions necessary to comply with the provisions of this Decree.

8. CamWest has transferred the Oil Fields addressed by this Decree to the Buyer/Transferee. On May 14, 2004, CamWest gave written notice to EPA of the pending

transfer pursuant to the SDWA. By signing this Decree, CamWest certifies that it shall be responsible for the completion of its respective obligations hereunder even if those obligations are to be performed after the transfer of the Oil Fields. Appendix 1 to this Decree sets forth a separate agreement between CamWest and the Buyer/Transferee in which they allocate the responsibilities of this Decree among themselves as of the Effective Date of this Decree.

CamWest acknowledges that apart from this Decree, EPA may require such financial assurance it deems necessary in connection with any transfer pursuant to 40 C.F.R. § 144.28(l).

III. DEFINITIONS

9. Unless otherwise expressly provided herein, the terms used in this Decree that are defined in the SDWA and CWA and in the federal regulations enacted thereunder shall have the meaning contained therein. Whenever the terms listed below are used in this Decree, the following definitions shall apply:

- a. “Active” means the status of an Injection Well that is actively injecting fluid or a Production Well that is actively producing fluid.
- b. “Amoco” means BP America Production Company, f/k/a Amoco Production Company.
- c. “Buyer/Transferee” means collectively Savant Resources LLC, Kirkwood Oil & Gas LLC, Steven C. Kirkwood, and Evertson Exploration LLC, as set forth in Appendix 1. The Buyer/Transferee is not a Party to this Decree.

- d. "CamWest" means both CamWest, Inc. and CamWest LP.
- e.. "Consent Decree" or "Decree" means this Consent Decree and its Appendices (Nos. 1, 2, 3, 4-A, 4-B, 5-A, 5-B, 6, 7, 8, 9, 10, 11, 12, and 13), which are hereby incorporated by reference.
- f. "Day" means calendar day unless otherwise specified. In computing any period of time under this Consent Decree, the day of the act from which the designated period begins to run shall not be included. The last day of the period shall be included, unless it is a Saturday, Sunday, or Federal holiday, in which case the period runs until the end of the next day that is not a Saturday, Sunday or Federal holiday.
- g. "Effective Date" means the date of entry of this Decree by the Court.
- h. "EPA" means the United States Environmental Protection Agency and any successor departments or agencies of the United States.
- i. "Injection Well" means any and all Class II underground injection wells at the Lander or Winkelman Dome Oil Fields, including any such well whose operational status is active, shut-in, temporarily abandoned, or plugged and abandoned.
- j. "Lander and Winkelman Dome Oil Fields" or "Oil Fields" means all production and injection wells listed in Appendix 2; specifically, for the Lander

Oil Field, wells contained within T2S, R1E, Sections 12, 13, 24, 25 and T2S, R2E, Sections 18, 19 and 30 and T33N, R99W, Sections 3 and 4; and for the Winkleman Dome Oil Field, wells contained within T2N, R1W, Sections 17, 18, 19, 20, 29 and 30 and T2N, R2W, Sections 13 and 24. The portion of the Lander Oil Field located within T33N, R99W, Sections 3 and 4 is located outside the boundaries of the Wind River Indian Reservation; although some of the wells in this portion of the Lander Oil Field are listed in Appendix 2, this portion of the Lander Oil Field is not included in this case or addressed by this Decree.

- k. “MIT” means an EPA-approved mechanical integrity test method, as provided for in 40 C.F.R. § 146.8.
- l. “P&A Plan” means any EPA-approved plugging and abandonment plan for any of the Subject Wells.
- m. “Parties” means the United States and Defendants.
- n. “Plugged and Abandoned Well” means any Injection Well that has been plugged and abandoned pursuant to a P&A Plan.
- o. “Production Well” means any and all wells at the Lander or Winkleman Dome Oil Field currently classified by the applicable governmental regulatory agency as an oil and/or gas well.
- p. “Reservation” means the Wind River Indian Reservation.

- q. “SEP Funds” means the total funds provided by CamWest and Amoco pursuant to Section XI.31.
- r. “Shut-In Well” means the status of an Injection Well or a Production Well that is capable of being active, but is not active.
- s. “Subject Wells” means all Injection Wells at the Lander and Winkelman Dome Oil Fields.
- t. “Temporarily Abandoned Well” means any Subject Well where injection has ceased and the well has been shut-in for at least twenty-four (24) continuous months.
- u. “Tribes” means the Eastern Shoshone and Northern Arapaho Tribes of the Wind River Indian Reservation.
- v. “UIC Program” means the applicable Underground Injection Control Program administered by the EPA pursuant to the SDWA.
- w. “United States” means the United States of America, acting on behalf of EPA.

IV. OBJECTIVES

- 10. The objectives of this Decree are:
 - a. To require the Lander and Winkelman Dome Oil Fields to achieve and maintain compliance with the SDWA and CWA and their respective regulatory

requirements, including but not limited to all applicable National Pollutant Discharge Elimination System ("NPDES") and UIC Permits;

b. To require the Lander and Winkelman Dome Oil Fields to operate and be maintained in compliance with the SDWA and CWA and all other requirements of this Decree and applicable law;

c. To further the objectives set forth in the SDWA and CWA and to protect public health and welfare and the environment; and

d. To resolve all civil claims alleged by Plaintiff against all Defendants in this action.

V. COMPLIANCE AND MONITORING REQUIREMENTS

11. Except as expressly set forth herein, CamWest shall ensure that the Lander and Winkelman Dome Oil Fields achieve and maintain compliance with the SDWA and CWA as of the Effective Date of this Decree. This includes compliance with all SDWA regulatory compliance, monitoring and reporting requirements set forth in 40 C.F.R. Parts 144, 146 and 147, and all CWA regulatory compliance, monitoring and reporting requirements pursuant to 33 U.S.C. §§ 1251 *et seq.* CamWest, to the best of its knowledge and except as hereafter provided, has achieved compliance or ensured that the Buyer/Transferee has achieved compliance with the SDWA and the CWA at the Oil Fields as of the date of signing this Decree. By its signature to this Decree, CamWest certifies that it has already implemented certain compliance measures, as

described herein.

12. Safe Drinking Water Act:

a. Identification of wells:

i. Appendix 2 to this Decree identifies all Injection and Production Wells at the Lander and Winkleman Dome Oil Fields. Appendix 2 specifies, among other things, whether each well is a Production or Injection Well, and whether each well is active, shut-in, or plugged and abandoned. CamWest certifies that Appendix 2 is correct as of the date of its signature to this Decree. CamWest further agrees to notify the United States promptly of any change to this information between the date of CamWest's signature to this Decree and entry of the Decree by the Court, so that Appendix 2 to the Decree as entered by the Court is complete and accurate as of its Effective Date.

ii. To the extent any Injection Well is in violation of the UIC Program as of the Effective Date of this Decree, CamWest shall correct the operational violation in compliance with all applicable regulations no later than one hundred twenty (120) days following the Effective Date of this Decree. Appendix 1 allocates this responsibility as of the Effective Date of this Decree. Nothing in this subparagraph (12.a.ii.) addresses liability

for any such violations that occur after the Effective Date of this Decree.

iii. Following the Effective Date of the Decree, CamWest shall notify EPA of any proposed plugging and abandonment operation at any Injection Well, the conversion of any Injection Well to a non-Injection Well, and any change in operational status of any Shut-In or Temporarily Abandoned Well, within thirty (30) days of such proposal or change, unless a regulatory requirement (including but not limited to, e.g., 40 C.F.R. § 144.28(j)) provides otherwise, in which case it shall comply with the regulatory requirement. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

b. Applicable USDW -- MIT requirements for Winkelman Dome and Lander Oil Fields:

i. Appendix 3 to this Decree identifies the mechanical integrity testing requirements applicable to each Injection Well regulated by EPA at the Lander and Winkelman Dome Oil Fields. CamWest certifies that Appendix 3 is complete and accurate as of the date of its signature to this Decree. CamWest further agrees to notify the United States promptly of any change to this information between the date of CamWest's signature to this Decree and entry of the Decree by the Court, so that Appendix 3 to

the Decree as entered by the Court is complete and accurate as of its Effective Date.

ii. CamWest further agrees to give prior notification to EPA of any change in Injection Well configuration that would cause a change in the accompanying mechanical testing requirement (e.g., cemented tubing, annulus additive, scab liner, etc.). This notification shall also include a copy of a revised Appendix 3, based on any changes in the applicable mechanical testing requirements and/or well status of all Injection Wells. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

iii. CamWest shall operate the Oil Fields in compliance with the requirements of Appendix 3, including any revisions thereto, and all other applicable UIC Program requirements in the SDWA and 40 C.F.R. Parts 144, 146 and 147. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

iv. Six wells at the Winkelman Dome Oil Field (Nos. 74, 93, 101, 114, 133 and 302) were in violation of the applicable non-endangerment requirements of 40 C.F.R. § 144.28(c)(2)(iv) at the time of transfer on June 15, 2004. CamWest has brought these wells into compliance with

this requirement.

- c. Alleged CamWest Violations at Winkelman Dome Oil Field: Appendix 4-A to this Decree identifies all alleged violations by CamWest of the SDWA at the Winkelman Dome Oil Field beginning on July 1, 1997, and the actions taken to end each alleged violation.
- d. Alleged CamWest Violations at Lander Oil Field: Appendix 4-B to this Decree identifies all alleged violations by CamWest of the SDWA at the Lander Oil Field beginning on July 1, 1997, and the actions taken to end each alleged violation.
- e. Alleged Amoco Violations at Winkelman Dome Oil Field: Appendix 5-A to this Decree identifies all alleged violations by Amoco of the SDWA at the Winkelman Dome Oil Field between August 24, 1996 and June 30, 1997, and the actions taken to end each alleged violation.
- f. Alleged Amoco Violations at Lander Oil Field: Appendix 5-B to this Decree identifies all alleged violations by Amoco of the SDWA at the Lander Oil Field between August 24, 1996 and June 30, 1997, and the actions taken to end each alleged violation.
- g. No Injection Well may be converted to a Production Well without prior EPA approval. To obtain EPA approval, CamWest must submit a MIT

demonstrating mechanical integrity and a plan for conversion of the well. After EPA approves conversion of the well, CamWest must submit to EPA: (1) the first six (6) months' oil production data by the well; (2) a well rework form describing the conversion; and (3) notice that another agency with regulatory jurisdiction is charged with overseeing the production well. The oil production data (Item 1) must be submitted no later than thirty (30) days after the end of each such month, and the information required by Items (2) and (3) must be submitted no later than thirty (30) days after EPA approves the well conversion. EPA may not release any P&A financial mechanism for any such converted Injection Well until CamWest has complied with these and any other applicable statutory or regulatory requirement for that well. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

13. Clean Water Act:

a. Automated Alarm System at Winkelman Dome Oil Field: CamWest has installed an Automated Alarm System at the Winkelman Dome Oil Field to provide an early warning system of fluid releases and supplement the existing release containment structures. By its signature to this Decree, CamWest certifies that the following work was completed in substantial accordance with plans submitted to EPA in April, May and August 2000:

- i. Purchased four Remote Terminal Units (RTU's) that were installed at the following locations on the Winkelman Dome Oil Field:

- A. Tensleep Lease Automatic Custody Transfer Unit (LACT unit);
- B. Nugget-Phosphoria LACT unit;
- C. Waterfloods 1 and 2;
- D. Waterflood 4.

CamWest also certifies that each RTU has the capacity to monitor ten discrete warning/alarm inputs and has six outputs for connection to other RTU's, user monitoring units and the Master Terminal Unit, integrated into the system's other RTU's and callout/alarm components, and each RTU also has appropriate battery backup.

- ii. Purchased and installed a Master Terminal Unit (MTU) with interface display that integrates all RTU's at the oil field.

- b. Drain Lines at Winkelman Dome Oil Field: By its signature to this Decree, CamWest certifies that it has replaced the entire drain line system associated with the NPDES system at this oil field based on work conducted there in 1999 and 2000. CamWest further certifies that, to the extent required, this

work was done in accordance with all applicable requirements, specifications, and conditions of approval provided by the Bureau of Land Management ("BLM").

c. Safety Pits at the Winkleman Dome Oil Field: By its signature to this Decree, CamWest certifies that it has installed a system of five safety pits and related berms at the Winkleman Dome Oil Field, based on work completed in September 2002. CamWest further certifies that, to the extent required, this work was done in accordance with all applicable requirements, specifications, and approvals provided by the BLM. A map and diagram that describes the elements and locations of this system is attached as Appendix 6.

d. Sump Improvements at the Winkleman Dome Oil Field: By its signature to this Decree, CamWest certifies that as part of the work conducted in relation to the replacement of drain lines described in Section V.13.b, above, it made improvements to the main sump below the first skim pit (wood pit) by replacing the former open-ended sump with a larger 12-foot diameter fiberglass vessel covered with netting, into which current drain lines are tied.

e. Seep into the Popo Agie River at the Lander Oil Field: On or about May 9, 2002, CamWest discovered an oil seep near the north side of the Popo Agie River in Section 30, Township 2 South, Range 2 East at the Lander Oil Field. The cause of the seep is currently unknown and is being investigated by CamWest.

During the term of this Decree, CamWest shall do the following: (1) attempt to identify the cause of the seep; and (2) implement EPA-approved measures that are intended to eliminate future discharges from the seep to the Popo Agie River (the measures shall be implemented even if CamWest cannot identify the cause of the seep):

- i. By its signature to this Decree, CamWest certifies that it has installed piezometers and river stage measurement devices at locations on the north side of the Popo Agie River. CamWest has an existing monitoring well network at the Lander Oil Field on the south side of the Popo Agie River. CamWest shall collect water level data quarterly from the piezometers on the north side of the Popo Agie River and annually from the monitoring wells on the south side of the Popo Agie River. CamWest shall use groundwater and surface water data and any other hydrogeologic data or other relevant information as a basis to develop corrective measures to prevent all discharges to the Popo Agie River from the above-identified seep at the Lander Oil Field and to ensure compliance with the Lander NPDES Permit regarding the above-identified seep.
- ii. CamWest shall continue to evaluate the injection history for Injection Wells in the Lander Oil Field near the Popo Agie River,

including well numbers 62, 115, and 117, to determine if oil seep activity is associated with such injection activity.

iii. CamWest shall conduct such other measures necessary to study and prevent the seep from discharging to the Popo Agie River.

iv. Within ninety (90) days after the Effective Date of this Decree, CamWest shall submit a corrective action plan that addresses the remediation of the seep to EPA for its review and approval. This plan shall include proposed corrective measures to prevent all discharges to the Popo Agie River and shall include milestone dates, including an implementation date and a final compliance date. CamWest shall implement the corrective action plan after obtaining EPA approval of the plan, which plan shall be enforceable under this Decree upon its approval by EPA. CamWest shall submit quarterly reports to EPA, as specified by Section VI.17., regarding the status of implementation of this corrective action plan until completed. Once EPA has approved CamWest's completion of the corrective action plan, CamWest will be relieved of any further obligations under this Section V.13.e. and any related reporting requirements pursuant to Section VI.17.

VI. OPERATION, MAINTENANCE AND REPORTING REQUIREMENTS

14. CamWest shall conduct daily visual inspection at the Oil Fields of the surface overlying the skim pit drain lines, the skim pit intake and outflow areas, including the drains, siphons, sumps, pumps and all other facilities used in connection with its NPDES permits and shall conduct debris removal or desilting of skim pit outflow areas as needed. CamWest shall repair or replace all damaged skim drain lines or line segments at the two subject oil fields as soon as possible, but no later than thirty (30) days after the discovery of any damaged skim pit drain line or line segment, and shall submit certification to EPA of any replacement within thirty (30) days after replacement. If the repair or replacement of any damaged skim pit drain line or line segment will take more than thirty (30) days after its discovery, CamWest shall provide notice to EPA that identifies the line(s) or segment(s) to be repaired or replaced, explains why the repair or replacement will take longer than thirty (30) days to complete, and identifies the date by which the repair or replacement will be finished. Unless EPA specifically approves otherwise, all repairs or replacements of damaged skim pit drain lines or line segments shall be completed no later than thirty (30) days after their discovery. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

15. CamWest shall operate, maintain, and inspect the safety pits at the Oil Fields in accordance with 40 C.F.R. § 112.9(b)(2) and all other applicable regulations, and shall conduct

all repairs, as needed. CamWest shall repair all damaged safety pits at the Oil Fields as soon as possible, but no later than thirty (30) days after discovery of any damaged safety pit. If the repair of any damaged safety pit will take more than thirty (30) days after its discovery, CamWest shall submit a plan to EPA that identifies the safety pit to be repaired, explains the reasons it will take longer than thirty (30) days to complete, and identifies the date by which the repair will be finished. Unless EPA specifically approves otherwise, all repairs to or replacements of these facilities shall be completed no later than thirty (30) days after their discovery. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

16. CamWest shall operate and maintain all sumps and line tie-ins associated with its NPDES permits in a manner consistent with good operation and maintenance practices, including: quarterly inspections for accumulated debris and sediment, structural damage, and separation of piping from the manhole riser; and prompt completion of all necessary repairs. Unless EPA specifically approves otherwise, all repairs of damage to these facilities shall be completed no later than thirty (30) days after its discovery. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

17. Within thirty (30) days after the end of each calendar-year quarter (*i.e.*, by April 30, July 31, October 31, and January 31), CamWest shall submit to EPA a Status Report that describes all activities conducted pursuant to Section V.13.e. during the preceding quarter and all such activities proposed for the following quarter. To the extent not already provided to EPA,

each Status Report shall also include documentation confirming the plugging and abandonment, MIT, or reworking operations at any Injection Well during that same quarter. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

18. The reporting requirements of this Decree do not relieve CamWest, the Buyer/Transferee, or any successor of the Buyer/Transferee of any reporting obligations required by the SDWA or CWA or any other federal, state, or local law, regulation, or requirement. Nor are the reporting requirements of this Decree intended to duplicate any such preexisting requirements; to the extent there is any duplication between requirements under this Decree and any other federal, state, or local reporting requirement, CamWest and/or the Buyer/Transferee may provide additional copies to EPA of any report submitted to another agency or refer the EPA to any other report it has submitted to EPA Region 8.

19. Any information provided to EPA by Defendants pursuant to this Decree may be used by the United States in any proceeding to enforce the provisions of this Decree and as otherwise permitted by law. Any information provided to EPA by Defendants pursuant to this Decree may be provided to the Tribes, any agency of either or both Tribes that addresses environmental and/or oil and gas control and/or review, and any other federal agency. If Defendants submit information to EPA as Confidential Business Information, they shall so identify these records in accordance with 40 C.F.R. Part 2; such records may be entitled to confidential treatment under statute or regulation, including but not limited to 5 U.S.C. § 552(b)(4), 42 U.S.C. § 9601 et seq., or any regulations promulgated thereunder, including but not

limited to 40 C.F.R. Part 2.

VII. COORDINATION WITH THE TRIBES

20. CamWest is responsible for any consultation and coordination with the Tribes regarding implementation of this Decree. This Decree has been provided to the Tribes. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

VIII. COORDINATION WITH BLM AND BIA

21. CamWest is responsible for any consultation and coordination with the Bureau of Indian Affairs (BIA) and BLM regarding the implementation of this Decree. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

IX. CIVIL PENALTY

22. CamWest shall pay a total civil penalty to the United States in the amount of Four Hundred Eighty-Seven Thousand, Three Hundred Fifty-Two Dollars (\$ 487,352.00) within thirty (30) days after the date of entry of this Decree. Of this civil penalty, Thirty Thousand, Four Hundred Eighty-Two Dollars (\$ 30,482.00) shall be paid by sending a cashier's or certified check payable to "Oil Spill Trust Fund," with the Civil Action Number and DOJ case number 90-5-1-1-07294/1 written on the check to:

Jane Nakad
Technical Enforcement Program
U.S. EPA - Region 8
999 - 18th Street
Suite 300 (8ENF-UFO)
Denver, Colorado 80202-2466

The remaining civil penalty of Four Hundred Fifty-Six Thousand, Eight Hundred Seventy Dollars (\$ 456,870.00) shall be paid as set forth in Paragraph 25 of this Section.

23. Amoco shall pay a civil penalty to the United States in the amount of One Hundred and Fifteen Thousand, One Hundred and Thirty-Eight Dollars (\$ 115,138.00) within thirty (30) days after the date of entry of this Decree as set forth in Paragraph 25 of this Section.

24. If any Defendant has not paid the civil penalty amount owed under this Decree in full when due, that Defendant shall pay interest at the rate provided in 28 U.S.C. § 1961(a). Interest shall be computed daily from the date payment is due until the date payment is made and shall be compounded annually.

25. Defendants' respective payments of civil penalties shall be made by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice in accordance with instructions to be provided to Defendants following lodging of the Decree by the Financial Litigation Unit of the U.S. Attorney's Office for the District of Wyoming. As to each Defendant, at the time of payment Defendant shall simultaneously send written notice of payment and a copy of any transmittal documentation (which must reference the Civil Action Number and DOJ case number 90-5-1-1-07294/1, and any USAO Number assigned) to the United States in accordance with Section XVIII of this Decree (Notices and Submissions).

26. Upon its entry, this Decree shall constitute an enforceable judgment against each Defendant for purposes of post-judgment collection in accordance with Rule 69 of the Federal Rules of Civil Procedure, the Federal Debt Collection Procedure Act, 28 U.S.C. §§ 3001-3308,

and other applicable federal authority. The United States shall be deemed a judgment creditor of each Defendant for purposes of collecting any unpaid amounts of the civil penalties and interest.

27. Civil penalty payments pursuant to this Decree are penalties within the meaning of Section 162(f) of the Internal Revenue Code, 26 U.S.C. § 162(f), or of 26 C.F.R. § 1.162-21, and are not tax deductible expenditures for purposes of federal law. Defendants also agree that any funds expended in performing any SEP and any stipulated penalties paid under this Decree shall not be claimed as a federal or other tax deduction or credit.

X. FINANCIAL RESPONSIBILITY REQUIREMENTS

28. CamWest shall maintain adequate financial responsibility to plug and abandon properly all Subject Wells (other than any wells that have already been plugged and abandoned pursuant to a P&A Plan) until the Subject Wells have been properly plugged, converted, or properly transferred to another operator, as required in 40 C.F.R. Parts 144 and 146. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

XI. SUPPLEMENTAL ENVIRONMENTAL PROJECTS

29. Amoco and CamWest shall perform and satisfactorily complete the following SEPs at the Wind River Reservation in accordance with EPA's Supplemental Environmental Projects Policy (May 5, 1998) ("SEP Policy"):

1. Portions of Phase 2 upgrades to the Ft. Washakie Water Treatment System (Shoshone Utility Organization). This SEP addresses work associated with the Shoshone Utility Organization's upgrades of the Ft. Washakie Water

Treatment System. Appendix 7 describes this SEP in further detail and sets forth the terms and schedules applicable to its performance and satisfactory completion.

2. Replacement pipeline (Northern Arapaho Utility Organization).

This SEP addresses the replacement of the 6" diameter main pipeline with a 12" diameter main pipeline between the supply wells and the tank at the Arapaho Public Water System, which is managed by the Northern Arapaho Utility Organization ("NAUO"). Appendix 8 describes this SEP in further detail and sets forth the terms and schedules applicable to its performance and satisfactory completion.

3. Telemetry unit (NAUO). This SEP addresses a telemetry unit and associated equipment on the existing storage tank at the Arapaho Public Water System, which is managed by NAUO. Appendix 9 describes this SEP in further detail and sets forth the terms and schedules applicable to its performance and satisfactory completion.

4. Filtration pump shutdown (NAUO). This SEP addresses a mechanism for the Ethete Water Treatment Plant, managed by NAUO, to shut off or not start the filtration pump and send a telephone alarm if the turbidity goes higher than a preset level, as determined by NAUO. Appendix 10 describes this SEP in further detail and sets forth the terms and schedules applicable to its performance and satisfactory completion.

5. Adsorption Clarifier/Filter Tank and certain associated equipment (NAUO). This SEP addresses one Adsorption Clarifier/Filter Tank and certain associated equipment at the water treatment plant located at the Ethete Public Water Treatment Plant managed by NAUO. Appendix 11 describes this SEP in further detail and sets forth the terms and schedules applicable to its performance and satisfactory completion.

6. Additional portions of Phase 2 of upgrades to the Ft. Washakie Water Treatment System (Shoshone Utility Organization). This SEP addresses additional and specific materials associated with the Shoshone Utility Organization's upgrades of the Ft. Washakie Water Treatment System. Appendix 12 describes this SEP in further detail and sets forth the terms and schedules applicable to its performance and satisfactory completion.

The initial priority of these SEPs shall be SEP Nos. 1 through 4, above. Work on SEP Nos. 5 and 6 may commence when SEP Nos. 1 through 4 are sufficiently under way such that United States and Defendants can determine that the monies needed to fund one or more of them, or portions thereof, are identified with sufficient certainty that they can determine what, if any, monies remain for further application to SEPs. If Defendants propose to perform SEP Nos. 5 and/or 6, the United States will consult with the Tribes regarding whether SEP No. 5 and/or 6 should be undertaken, and the decision to approve the commencement of work on either or both or any portion of these SEPs is solely within the discretion of the United States. SEP Nos. 7 and

8 are identified here as potential back-up or replacement SEPs if monies remain for further SEP work after completion of the above SEPs or if EPA agrees that performance of any SEP is not feasible:

SEP No. 7: Mexican Flats pipeline repairs (Shoshone Utility Organization) – This SEP would address work associated with replacing piping associated with a drinking water system that is currently substandard; and

SEP No. 8: Johnstown Well(s) (NAUO) – This SEP would address work associated with drilling one or more drinking water wells in one area on the Reservation served by NAUO where the current water supply is compromised.

If Defendants propose to perform SEP Nos. 7 and/or 8, the United States will consult with the Tribes regarding whether SEP Nos. 7 and/or 8 or any portion thereof should be undertaken. The decision to approve work on either or both or any portion of these SEPs is solely within the discretion of the United States, depending on the available SEP monies, the SEP completion date set forth in Paragraph 30, and any other factors. The Parties will prepare an Appendix for each such SEP that sets forth the terms and schedules applicable to its performance and satisfactory completion and shall be enforceable under this Decree upon its approval by the United States.

30. The completion date for all SEP(s) shall be no later than three years following the date of entry of the Decree. Subject to the United States' approval of any extensions or alternate SEPs, any SEP Funds remaining in the escrow account described in Paragraph 33 of this Section as of three years following the date of entry of this Decree, shall be paid to the United States as

set forth in Section XII.48.a. The Parties may also determine prior to three years following the date of entry of this Decree that an individual SEP cannot be completed or that no more SEPs should be completed pursuant to this Decree, based on such factors as project uncertainties or infeasibility. If the Parties determine that an individual SEP cannot be completed or that no more SEPs are to be performed pursuant to this Decree (*see, e.g.*, Paragraph 34 of this Section) and SEP Funds remain in the account, the United States shall determine whether the remaining SEP monies shall be applied to other SEPs pursuant to this Decree or whether the SEP Funds shall be paid to the United States as set forth in Section XII.48.a. no later than thirty (30) days following written notice to the Defendants. The United States, in consultation with the Tribes, may also extend the time for performance of the SEPs for such period of time as is acceptable to the Defendants. Defendants shall adopt all reasonable measures to avoid or minimize any delay.

31. Defendants shall place into escrow Seven Hundred Twenty-Four Thousand, Nine Hundred and Fifty-Six Dollars (\$724,956.00) for the SEPs ("SEP Funds"). Of this amount, CamWest shall place into escrow Four Hundred Twenty-Nine Thousand, Six Hundred Twenty-One Dollars (\$429,621.00), and Amoco shall place into escrow Two Hundred Ninety Five Thousand, Three Hundred Thirty-Five Dollars (\$295,335.00). All interest accrued on the monies in the escrow account addressed in Paragraph 33 shall be included in the SEP Funds and be available for the SEPs.

32. Defendants shall perform and satisfactorily complete the above SEPs pursuant to the terms and schedules set forth herein and in Appendices 7 through 12 (and any other SEP

Appendices agreed upon for SEP Nos. 7, 8, or any other SEP the Defendants agree to perform), and, subject to Paragraph 33 of this Section, spend not less than the designated funding amounts. In so doing, Defendants may employ or work with contractors, consultants, tribal, state and local authorities, or other entities, as appropriate. The Parties recognize that, as stated in Paragraphs 29 and 30 of this Section, not all of the above described SEPs may ultimately be performed.

33. As part of their SEP performance, Defendants shall spend the SEP Funds on the SEPs as specified in this Section XI and Appendices 7 through 12. No later than thirty (30) days after entry of the Decree, Defendants shall: (a) establish an interest-bearing escrow account in a bank acceptable to the United States; and (b) deposit all SEP Funds in the account. The escrow agreement is subject to review and approval by the United States and shall be enforceable under the Decree upon its approval by the United States. Within five (5) days after deposit, Defendants shall provide to EPA and to the two Tribes written notification and documentation that they have deposited the SEP Funds of Seven Hundred Twenty-Four Thousand, Nine Hundred and Fifty-Six Dollars (\$724,956) into the escrow account. The deposited funds and any accrued interest shall be spent as soon as practicable on the subsequent implementation of the SEPs as set forth in this Section XI. An Escrow fee not to exceed \$ 2,500.00 per year and Defendants' SEP Coordinator's fee not to exceed \$ \$7,500.00 per year (one paralegal working for both Defendants at \$155.00/hour) may be deducted from the SEP Funds and any accrued interest thereon. In addition, in connection with the Defendants' contracts with each Tribe, a Tribal SEP Coordinator's fee not to exceed \$5,000.00 per year for each Tribe may be deducted from the SEP

Funds and any accrued interest thereon. A copy of the Escrow Agreement will be included as Appendix 13 to this Decree.

34. If the performance or completion of a SEP is delayed, Defendants shall notify the United States promptly in accordance with this Section and Section XVIII (Notices and Submissions). Upon the United States' agreement, or its independent determination pursuant to Appendices 7 through 12 (or any future Appendices for future SEPs), that the SEP is not feasible or cannot be satisfactorily completed, work on that SEP shall be halted, Defendants shall compute the amount of any funds designated for the SEP that have not been spent, and, with the United States' approval, direct such funds to another of the SEPs described in this Decree or to the United States pursuant to Section XII.48.a.

35. If within the time period addressed by Paragraph 30 of this Section, any SEP has been completed without expenditure of all funds designated for that SEP's implementation, Defendants shall notify the United States in a Joint SEP Completion Report (described in Paragraph 38 of this Section) and state the amount of remaining unexpended SEP Funds. Upon the United States' agreement that the SEP has been satisfactorily completed, Defendants shall direct, with the United States' approval, such funds to another of the SEPs described in Paragraph 29 of this Section.

36. If all SEPs identified in Paragraph 29 of this Section that are capable of being completed with the SEP Funds have been satisfactorily completed within the time limits of Paragraph 30 of this Section or if the United States has determined that one or more of these

SEPs is no longer feasible, and SEP Funds remain, the Parties, in consultation with the Tribes, may identify and agree upon additional SEPs acceptable to the United States pursuant to the SEP Policy to be performed within the time limits of Paragraph 30 and pursuant to this Section XI. In each such circumstance, the Parties will prepare an Appendix that sets forth the terms and schedules applicable to the SEP's performance and satisfactory completion and shall be enforceable under this Decree upon its approval by the United States. Any additional SEPs are subject to final review and approval by the United States. If Defendants decline to perform other SEPs or if the SEP Funds that remain are too small for application to a SEP, the remaining SEP Funds in the escrow account shall be paid to the United States pursuant to Section XII.48.a.

37. Defendants shall submit a Joint SEP Status Report to EPA within six (6) months of entry of the Decree and every six (6) months thereafter until all SEPs are completed. The Joint SEP Status Report shall include:

- (a) a summary of the purchase orders approved to date;
- (b) an itemization, with copies of supporting documentation, of the Defendants' SEP Coordinator's costs and any Tribal SEP Coordinator costs;
- (c) an itemization, with copies of supporting documentation, of all payments from the SEP escrow account for each SEP that has not been completed; and
- (d) an explanation of any difficulties or delays in funding of SEPs or delays or difficulties in the implementation of the SEPs reported by the Tribes.

To the extent that information regarding Paragraph 37 of this Section is dependent on obtaining

information from one or more of the Tribes and Defendants have made a timely request for, but not received, this information from the Tribe(s), Defendants may so indicate in the Joint SEP Status Report.

38. Within sixty (60) days after the completion of each SEP, Defendants shall submit a Joint SEP Completion Report to EPA. Each Joint SEP Completion Report shall contain the following information:

- (a) an itemized list of all SEP costs, documented by copies of purchase orders and invoices;
- (b) a certification of completion stating that the SEP has been performed and satisfactorily completed pursuant to the provisions of this Decree;
- (c) a description of the environmental and public health benefits resulting from performance and satisfactory completion of the SEP; and
- (d) the amount of any remaining SEP Funds.

To satisfy subparagraph (c), Defendants are not required to employ consultants or other agents solely to quantify environmental and health benefits, but may use relevant data generated during performance of the SEP and rely upon and restate the benefits described in Appendices 7 through 12 or any Appendices describing any other SEP undertaken by the Defendants pursuant to this Section XI.

39. Within forty-five (45) days following receipt of each Joint SEP Completion Report, the United States will do one of the following:

- (a) provide written notice to Defendants that it accepts the Joint SEP Completion Report, which constitutes its finding that the SEP has been performed and satisfactorily completed;
- (b) provide written notice to Defendants that it rejects the Joint SEP Completion Report in whole or in part, identifying any deficiencies and providing Defendants additional time within which to correct the deficiencies; or
- (c) provide written notice to Defendants that Defendants have failed to perform and satisfactorily complete the SEP in accordance with the requirements of this Decree, and United States rejects the Joint SEP Completion Report.

40. Disputes concerning the satisfactory performance of the SEP and the amount of eligible SEP costs may be resolved under Section XIII of this Decree (Dispute Resolution). No other disputes arising under this Section shall be subject to Dispute Resolution.

41. By entering into this Decree, each Defendant certifies that it is not required to develop or perform the SEPs by any federal, state, tribal or local law or regulation; nor is it required to perform or develop the SEPs as part of an existing settlement or order in another legal action, or as injunctive relief in this or any other judicial or administrative case or action. Each Defendant further certifies that it has not received, and it is not presently negotiating to receive, credit in any other enforcement action for the SEPs.

42. Any public statement, oral or written, made by Defendants in reference to any SEP(s) hereunder shall include the following language: "This project was undertaken as part of

the settlement of a federal enforcement action taken by the U.S. Environmental Protection Agency for alleged violations of the Safe Drinking Water Act as amended, 42 U.S.C. § 300h-2(b), and the Clean Water Act as amended, 33 U.S.C. § 1251, et seq.”

43. The provisions of Section XIX (Record-Keeping) apply to all documents related to the performance and completion of the SEPs. All documents or reports related to performance of the SEPs shall be certified pursuant to Section XVIII.69. Defendants may place reasonable reliance on the accuracy of reports or other information provided to them by state, local or tribal authorities, or entities under contract either with Defendants or with such authorities to implement the SEPs.

44. Defendants shall provide the United States with a copy of any contract they enter into regarding the implementation of any SEP under this Section XI within ten (10) days after its execution.

45. Each Defendant recognizes and agrees that the work required by this Section of this Decree shall not be funded, directly or indirectly, in whole or in part, from any grant or source of funds received from the United States Government.

46. The United States’ acceptance of the SEP(s) specified in this Decree shall not be construed as EPA’s endorsement or approval of any particular brand of equipment or technology used in implementing the SEP(s). The SEP(s) must be completed in compliance with all applicable federal, tribal, state and local laws and regulations.

XII. STIPULATED PENALTIES

47. If CamWest fails to comply with the following requirements of this Decree, CamWest shall pay the following stipulated penalties per violation per day to the United States:
- a. \$50.00 for each day of delay in submission of the corrective action plan to EPA for its review and approval, as addressed in Section V.13.e.iv. of this Decree, or the related quarterly reports regarding the status of implementation of the corrective action plan, as described in Section V.13.e.iv. and Section VI.17;
 - b. \$150.00 for each day of delay in completing the EPA-approved corrective action plan, as addressed in Section V.13.e.iv. of this Decree. Unless the EPA-approved corrective action plan specifically provides a later date, the requirement to “complete the corrective action plan” means the “final compliance date,” as set forth in Section V.13.e.iv. of the Decree.
48. **SEP Compliance**
- a. If, following the satisfactory completion of all SEPs pursuant to Section XI, Defendants have spent less than the total amount of SEP Funds set forth in Section XI.31., Defendants shall pay the remainder of the SEP Funds as a stipulated penalty. Payment of the stipulated penalty under this Paragraph 48.a. discharges Defendants’ SEP obligations under this Decree.
 - b. Except as allowed by this Decree, if Defendants halt or abandon work on any SEP under circumstances other than those set forth in Section XI.34., they

shall pay a stipulated penalty equal to 20% of the anticipated expenditures associated with the SEP, in addition to the penalty set forth in Paragraph 48.a. Any Stipulated Penalties payable under this Paragraph 48.b., are in addition to and separate from monies designated SEP Funds under this Decree. Payment of such penalty discharges Defendants' obligations under this Decree as to that SEP.

49. Except as provided in Paragraph 48 or elsewhere in this Decree, the stipulated penalties in this Section XII shall be in addition to, and shall not limit, other remedies or sanctions available to the United States by reason of Defendants' failure to comply with the requirements of this Decree, the SDWA, or the CWA.

50. Stipulated penalties shall begin to accrue on the day after performance is due or the day a violation of the Decree occurs and shall continue to accrue through the final day of the correction of the noncompliance or completion of the activity. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations of the Decree. Failure by the United States to demand stipulated penalties shall have no effect on the accrual of such penalties.

51. Stipulated Penalties shall continue to accrue during any Dispute Resolution, with interest on accrued penalties payable and calculated at the rate established by the Secretary of the Treasury, pursuant to 28 U.S.C. § 1961, but need not be paid until the dispute is resolved and will be paid in accordance with the resolution or determination of any dispute.

52. Except for any Stipulated Penalties payable pursuant to Paragraph 48.a. of this Section, the United States may, in the unreviewable exercise of its discretion, reduce or waive

Stipulated Penalties otherwise due it under this Decree.

53. Subject to Paragraph 51 of this Section, each Defendant, as applicable, shall pay stipulated penalties that have accrued to the United States by the fifteenth (15th) day of the month following EPA demand for stipulated penalties under the Decree.

54. Payment of stipulated penalties shall be made to the United States by cashier's or certified check in the same manner as set forth in Section IX.25.

55. The provisions of Section IX.24. shall apply to any delayed payment of stipulated penalties.

XIII. DISPUTE RESOLUTION

56. If a dispute should arise between Defendant(s) and the United States regarding interpretation or implementation of the requirements of the Decree, Defendants shall comply with the determination of the United States unless one or both of them invokes the dispute resolution provisions of this Section as set forth herein.

- a. Any dispute that arises shall be, in the first instance, the subject of informal negotiations among the Parties. Informal negotiations shall not exceed twenty (20) days from the time the dispute arises, unless it is extended by agreement of the Parties. The dispute shall be considered to have arisen when one Party notifies the others in writing of such dispute. No interest shall accrue on any Stipulated Penalties related to the dispute during this time.

- b. If the Parties cannot resolve a dispute by informal negotiations under the preceding subparagraph, then the position advanced by the United States shall be binding, unless, within twenty (20) days after conclusion of the informal negotiation period, Defendant(s) files a petition with the Court for resolution of the dispute. The petition shall set out the nature of the dispute with a proposal for its resolution.
- c. The United States shall have thirty (30) days after receiving the petition within which to file a response.

XIV. CONSENT TO ENTRY AND INSPECTIONS

57. CamWest shall allow EPA and its authorized representatives and contractors to enter the Winkelman Dome and Lander Oil Fields without prior approval for any purpose under this Decree, including determining the status of compliance with any requirement of this Decree. EPA and its authorized representatives and contractors shall have authority to: verify any data or information submitted to the United States; obtain samples, and, upon request, obtain splits or duplicates of any samples collected by CamWest, its consultants and contractors; observe performance tests; inspect and evaluate any portion of any wastewater treatment facilities; and inspect and review any record required to be kept under this Decree, any applicable NPDES permit, SDWA and/or the CWA. These inspection rights are in addition to, and in no way limit or otherwise affect, EPA's statutory authorities to conduct inspections, to require monitoring and to obtain information from CamWest or any transferee. This Section does not address the rights

or procedures, if any, that the Tribes may lawfully assert regarding entry and inspections of the Oil Fields. By its signature to this Decree, CamWest certifies that it has secured any continued access and operational authority necessary to perform any requirements of this Decree, including but not limited to Section V.13.e. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

XV. NOT A PERMIT/COMPLIANCE WITH OTHER STATUTES/REGULATIONS

58. This Decree is not and shall not be construed as a permit issued pursuant to Section 402 of the CWA, 33 U.S.C. § 1342, or the SDWA UIC program at 40 C.F.R. Parts 124, 144, 146, and 147, or as a modification of any existing permit so issued, nor shall it in any way relieve CamWest of its obligations to obtain any necessary permit for its operations at the Lander or Winkelman Dome Oil Fields and to comply with the requirements of any NPDES permit or with any other applicable federal or state law or regulation. CamWest shall comply with any new permit, or modification of existing permits in accordance with applicable federal and state laws and regulations. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

59. Nothing herein shall be construed as relieving any Defendant of the duty to comply with the SDWA or CWA, the regulations promulgated under these acts, and all applicable permits issued thereunder.

XVI. FAILURE OF COMPLIANCE

60. The United States does not, by its consent to the entry of this Decree, warrant or aver in any manner that Defendants' complete compliance with their respective obligations under

this Decree will result in compliance with the SDWA or CWA or any applicable permit or regulation issued thereunder. Notwithstanding EPA's review of, or comments on, any plans, reports, policies, or procedures formulated pursuant to this Decree or settlement efforts prior to entry of this Decree, Defendants shall remain solely responsible for any non-compliance with their respective duties and obligations under this Decree, all applicable permits, the SDWA, the CWA, and regulations promulgated under these acts. The pendency or outcome of any proceeding concerning the issuance, reissuance, or modification of any permit shall neither affect nor postpone Defendants' respective duties and obligations as set forth in this Decree.

XVII. EFFECT OF SETTLEMENT AND RESERVATION OF RIGHTS

61. Except as expressly set forth herein, this Decree resolves the civil claims of the United States for the violations alleged in the Complaint filed in this action, any UIC permit or UIC rule violations in the year 2004 by CamWest, and any NPDES permit violations in the year 2004 by CamWest regarding the duty to notify EPA of its transfer of the Oil Fields to the Buyer/Transferee up to and through the date of lodging.

62. This Decree shall not be construed to prevent or limit the rights of the United States to obtain penalties or injunctive relief under the SDWA or CWA or under other federal or State laws, regulations, or permit conditions, except as expressly specified herein.

63. Defendants are responsible for achieving and maintaining complete compliance with all applicable federal, State and local laws, regulations, and permits. Defendants' compliance with this Decree shall not be a defense to any action commenced pursuant to said

laws, regulations, or permits.

64. This Decree does not limit or affect the rights of Defendants or of the United States against any third parties, including but not limited to the Buyer/Transferee, not party to this Decree, nor does it limit the rights of third parties, including but not limited to the Buyer/Transferee, not party to this Decree, against Defendants, except as otherwise provided by law. This Decree shall not be construed to create rights in, or grant any cause of action to, any third party not party to this Decree.

65. The United States reserves all legal and equitable remedies available to enforce the provisions of this Decree, except as expressly stated herein. This Decree shall not limit any authority of the United States under the SDWA or CWA or any applicable statute, including the authority to seek information from any Defendant or to seek access to the Lander or Winkleman Dome Oil Fields.

66. This Decree shall not resolve criminal liability, if any, that any person or Defendant might have for violations of the SDWA or CWA or any other law.

67. Nothing in this Decree shall be construed to limit the authority of the United States to undertake any action against any person, including any Defendant, in response to conditions that may present an imminent and substantial endangerment to the environment or to the public health or welfare.

XVIII. NOTICES AND SUBMISSIONS

68. Unless otherwise specified herein, whenever notifications, submissions, or

communications are required by this Decree, they shall be made in writing and addressed as follows:

a. Notifications to Defendants:

CamWest:

CamWest, Inc.
Attn: Terry L. Logan, Vice-President
1825 Lawrence Street
Suite 300
Denver, Colorado 80202

Amoco:

BP Law Department
Attn: Lynn Bortka
501 Westlake Park Blvd.
Houston, Texas 77079

b. Notifications to the United States shall be made to all of the following persons:

U.S. Department of Justice

Chief, Environmental Enforcement Section
Environment & Natural Resources Division
United States Department of Justice
P.O. Box 7611, Ben Franklin Station
Washington, D.C. 20044

Susan L. Schneider
Attorney, Indian Resources Section
Environment & Natural Resources Division
United States Department of Justice
999 - 18th Street, North Tower

Suite 945
Denver, Colorado 80202

United States Attorney

Carol A. Statkus
Chief, Civil Division
Office of the United States Attorney
District of Wyoming
P.O. Box 668
Cheyenne, Wyoming 82003-0668

United States Environmental Protection Agency

Michelle Marcu
Enforcement Attorney
U.S. EPA - Region 8
999 - 18th Street
Suite 300 (ENF-L)
Denver, Colorado 80202-2466

Nathan Wiser
Environmental Scientist
U.S. EPA - Region 8
999 - 18th Street
Suite 300 (8ENF-UFO)
Denver, Colorado 80202-2466

- c. Notifications to the Tribes shall be made to the following persons:

For the Eastern Shoshone Tribe of the Wind River Indian Reservation:

Chairman Ivan Posey
Eastern Shoshone Tribe
P.O. Box 538
Ft. Washakie, Wyoming 82514

John Schumacher
420 East Washington
Riverton, Wyoming 82501

For the Northern Arapaho Tribe of the Wind River Indian Reservation:

Gerald Redman
Northern Arapaho Utility Organization
P. O. Box 396
Ft. Washakie, WY 82514

Berthenia Crocker
Baldwin & Crocker
P.O. Box 1229
Lander, Wyoming 82520-3385

69. Any notice, report, certification, data or other document required to be submitted by any Defendant under this Decree shall be signed and certified by a responsible official, as defined in 40 C.F.R. §§ 122.22. Certification shall be in the following form:

I certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments to the extent that they were prepared under my direction or supervision in a manner designed to ensure that qualified and knowledgeable personnel properly gather and present the information contained therein. I further certify in accordance with Paragraph 69 of the Consent Decree, based on my inquiry of those individuals immediately responsible for obtaining the information, that I believe that the information is true, accurate and complete. To the extent that this document and its attachments relate to the SEPs and were prepared by the Tribe(s) or other parties, I certify in accordance with Paragraph 69 of the Consent Decree, that I inquired of those individuals immediately responsible for providing the information, if the document and all attachments were prepared in a manner designed to ensure that qualified and knowledgeable personnel properly gathered and presented the

information contained therein and if the information provided is true, accurate and complete, and my certification is based on my good faith reliance on the Tribes or other parties. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment.

As to the SEPs, to the extent that the foregoing certification requires reliance on data generated by the Tribe(s) or other parties, good faith reliance on that party will satisfy the requirements of this certification.

XIX. RECORD-KEEPING

70. CamWest shall maintain copies of any reports, plans, permits, and documents submitted to EPA pursuant to this Decree, including any underlying research and data, for a period of five (5) years from date of submission. CamWest also shall require any independent contractor operating any portion of the facilities subject to this Decree or implementing any portion of this Decree to retain such materials for five (5) years from date of submission. CamWest shall submit this supporting documentation to EPA upon request. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

71. In addition to any reports and documentation required to be provided by Defendants under this Decree, Defendants also shall provide, upon request, any analytical data or other documents requested by the United States to review work done or to be done by Defendants or to determine their compliance with the terms of this Decree. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

72. Each Defendant shall notify EPA ninety (90) days prior to the disposal or

destruction of any records that it is required to maintain or provide under this Section, and shall, upon request, deliver such records to EPA prior to their disposal or destruction. Appendix 1 allocates this responsibility as of the Effective Date of this Decree.

XX. GENERAL PROVISIONS

73. Upon approval and entry of this Decree by the Court, this Decree shall constitute a final judgment between the United States and Defendants.

74. The Parties shall each bear their own costs of litigation of this action, including attorneys fees.

75. The Court shall retain jurisdiction of this case until termination of this Decree to enable any of the Parties to apply to the Court for such further order, direction, or relief as may be necessary or appropriate for the construction or modification of this Decree, or to effectuate or enforce compliance with its terms.

76. The terms of this Decree may be modified only by written agreement signed by the Parties. Where the modification constitutes a material change to any term of this Decree, it shall be effective only upon approval by the Court.

77. This Decree and its Appendices constitute the final, complete, and exclusive agreement and understanding among the Parties with respect to the settlement of this case and supersede all prior agreements and understandings, whether oral or written, concerning the settlement embodied herein. No other document, representation, inducement, agreement, understanding or promise by or among the Parties constitutes any part of this Decree or the

settlement it represents, and shall not be used in construing the terms of this Decree. Any separate agreement between Amoco and CamWest regarding the 1997 purchase and sale of the Oil Fields, including any separate indemnity or allocation agreement regarding any liabilities associated with the Oil Fields, applies solely to Amoco and CamWest, has no bearing on this Decree and the settlement set forth herein with the United States, and is unaffected by this Decree.

XXI. SIGNATORIES

78. Each undersigned representative of Defendants and the Acting Assistant Attorney General of the Environment and Natural Resources Division of the Department of Justice certifies that he or she is fully authorized to enter into the terms and conditions of this Decree and to execute and legally bind the Party he or she represents to this Decree.

79. Defendants hereby agree to accept service of process by mail with respect to all matters arising under or relating to this Decree and to waive the formal service requirements set forth in Rule 4 of the Federal Rules of Civil Procedure and any applicable Local Rules of this Court including, but not limited to, service of a summons.

XXII. PUBLIC NOTICE AND COMMENT

80. The Parties agree and acknowledge that final approval of the United States and entry of this Decree are subject to the requirements of 28 C.F.R. § 50.7. Pursuant to 28 C.F.R. § 50.7, the proposed Decree shall be lodged with the Court, notice of the proposed Decree shall be

published in the Federal Register, and the public shall be given an opportunity to comment thereon for a period of not less than thirty (30) days. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Decree disclose facts or considerations indicating that the Decree is inappropriate, improper, or inadequate.

81. Defendants agree not to oppose entry of this Decree by the Court or to challenge any provision of the Decree. Defendants consent to entry of this Decree without further notice, unless the United States has notified Defendants in writing that it no longer supports entry of the Decree.

XXIII. TERMINATION OF CONSENT DECREE

82. This Decree shall terminate upon motion of the United States after CamWest has performed all injunctive relief in accordance with Section V (Compliance and Monitoring Requirements), and achieved and maintained continuous compliance with the requirements of the Decree for two (2) years), Defendants have paid all civil penalties and stipulated penalties owed in accordance with Sections XI (Supplemental Environmental Projects) and XII (Stipulated Penalties), complied with the SEP requirements of Section XI, and EPA has determined that Defendants have complied fully with all provisions of the Decree. Nothing in this Paragraph shall prevent the Defendants from moving to terminate this Decree. If the Defendants so move, they

shall have the burden of proving that they have met all requirements set forth in the first sentence of this Paragraph.

Judgment is hereby entered in accordance with the foregoing Consent Decree, this _____ day of _____, 2005.

United States District Judge

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. BP Amoco, et al., Civ. No. (D. Wyoming) relating to the Winkelman Dome and Lander Oil Fields at the Wind River Indian Reservation.

FOR THE UNITED STATES OF AMERICA:

KELLY A. JOHNSON
Acting Assistant Attorney General
Environment and Natural Resources
Division
U.S. Department of Justice
Washington, D.C. 20530

DATED: 5/3/05

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. BP Amoco, et al., Civ. No. (D. Wyoming) relating to the Winkleman Dome and Lander Oil Fields at the Wind River Indian Reservation.

DATED: _____

SUSAN L. SCHNEIDER
Trial Attorney
Environment and Natural Resources Division
United States Department of Justice
999 18TH Street
North Tower, Suite 945
Denver, Colorado 80202

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. BP Amoco, et al., Civ. No. _____ (D. Wyoming) relating to the Winkleman Dome and Lander Oil Fields at the Wind River Indian Reservation.

MATTHEW H. MEAD
United States Attorney
District of Wyoming

DATED: _____

By: _____
CAROL A. STATKUS
Chief, Civil Division
Office of the United States Attorney
District of Wyoming
P.O. Box 668
Cheyenne, Wyoming 82003-0668

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. BP Amoco, et al., Civ. No. (D. Wyoming) relating to the Winkelman Dome and Lander Oil Fields at the Wind River Indian Reservation.

CAROL RUSHIN
Assistant Regional Administrator
Office of Enforcement, Compliance
and Environmental Justice

DATED: _____

MICHELLE MARCU
Enforcement Attorney
United States Environmental Protection Agency
Region 8
999 - 18th Street
Suite 300 (8ENF-L)
Denver, Colorado 80202-2466
(303) 312-6921

DATED: _____

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. BP Amoco, et al., Civ. No. (D. Wyoming) relating to the Winkelman Dome and Lander Oil Fields at the Wind River Indian Reservation.

DATED: _____

THOMAS V. SKINNER
Acting Assistant Administrator
Office of Enforcement and Compliance Assurance
United States Environmental Protection Agency
Ariel Rios Building South, Mail Code 2201A
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. BP Amoco, et al., Civ. No. (D. Wyoming) relating to the Winkleman Dome and Lander Oil Fields at the Wind River Indian Reservation.

FOR CAMWEST, INC.:

By:

DATED: _____

TERRY L. LOGAN
Vice President - CamWest, Inc.
and
Managing Partner of CamWest Limited Partnership

On behalf of CamWest, Inc.,
and CamWest Limited Partnership

DATED: _____

WILLIAM PADDOCK
Carlson, Hammond & Paddock, L.L.C.
1700 Lincoln, Suite 3900
Denver, CO 802-3-4539

Counsel for CamWest, Inc.,
and CamWest Limited Partnership

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. BP Amoco, et al., Civ. No. (D. Wyoming) relating to the Winkelman Dome and Lander Oil Fields at the Wind River Indian Reservation.

FOR BP America Production Company f/k/a Amoco Production Company:

By: _____

DATED: _____

**add attorney as well*

THE UNDERSIGNED PARTIES enter into this Consent Decree in the matter of United States v. BP Amoco, et al., Civ. No. (D. Wyoming) relating to the Winkleman Dome and Lander Oil Fields at the Wind River Indian Reservation.

FOR Buyer/Transferee, collectively Savant Resources LLC, Kirkwood Oil & Gas LLC, Steven C. Kirkwood, and Evertson Exploration LLC:

This signature solely acknowledges receipt of this Decree. The Buyer/Transferee, as defined herein, are not Parties to this Decree:

By: _____

DATED: _____

**add attorney as well*